

Biden v. Byrne

C/A No. 2:23-cv-09430-SVW-PD

Plaintiff Robert Hunter Biden's Motion for Entry of Default Judgment

EXHIBIT A

(Decl. of David Cawley, CPA)

1 Richard A. Harpootlian, *pro hac vice*
rah@harpootlianlaw.com

2 Phillip Barber, *pro hac vice*
pdb@harpootlianlaw.com

3 RICHARD A. HARPOOTLIAN, PA
1410 Laurel Street
4 Columbia, South Carolina 29201
Telephone: (803) 252-4848
5 Facsimile: (803) 252-4810

6 BRYAN M. SULLIVAN (SBN 209743)
bsullivan@earlysullivan.com

7 ZACHARY C. HANSEN (SBN 325128)
zhansen@earlysullivan.com

8 EARLY SULLIVAN WRIGHT
GIZER & McRAE LLP

9 6420 Wilshire Boulevard, 17th Fl.
Los Angeles, California 90048

10 Telephone: (323) 301-4660
Facsimile: (323) 301-4676

11 Attorneys for PLAINTIFF
12 ROBERT HUNTER BIDEN

13 **UNITED STATES DISTRICT COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA**
15 **WESTERN DIVISION**

16 ROBERT HUNTER BIDEN, an
individual,

17 Plaintiff,

18 vs.

19 PATRICK M. BYRNE, an individual,

20 Defendant.
21

Case No. 2:23-cv-09430-SVW-PD

**DECLARATION OF DAVID
CAWLEY, CPA, CVA, CFE**

Date: October 20, 2025

Time: 1:00 p.m.

Crtrm.: 10A

Judge: Hon. Stephen V. Wilson,
Ctrm. 10A

DECLARATION OF DAVID CAWLEY, CPA, CVA, CFE

I, David Cawley, CPA, CVA, CFE, declare and state as follows:

1. The defendant in this matter is Patrick M. Byrne. The plaintiff in this matter is Robert Hunter Biden.

2. I have been retained by Richard A. Harpootlian, PA, counsel to Mr. Biden, to consider the defendant's ability to pay a damage award in this matter. Forensic accountants generally rely upon financial information obtained through the discovery process but, due to the lack of cooperation by the defendant, I have been asked to consider information contained in publicly available documents and statements.

3. I am a partner at Fraim, Cawley and Company, Certified Public Accountants PLLC. I am a Certified Public Accountant, Certified Valuation Analyst, and Certified Fraud Examiner, and I have been qualified as a forensic accounting and economic expert in multiple legal jurisdictions. My curriculum vitae and testimony history is attached as **Appendix A**.

4. Payment of my professional fees and expenses is not contingent upon my findings or on the outcome of any action. My hourly rate is \$350 per hour in this matter.

5. My analysis and opinions are given with a reasonable degree of economic and accounting certainty. The following opinions are based on information that was available to me as of the date of declaration. I reserve the right to update my analysis and opinions should additional information become available.

6. I have reviewed and relied upon public documents and statements, and standard references relied upon by forensic economists and accountants, which are cited with footnotes when applicable.

7. The defendant founded the company Overstock.com, where he acted as CEO until 2019. Mr. Byrne made public comments about working as a secret intelligence agent, which made it impossible for Overstock.com to obtain Directors

1 & Officers insurance. As a result, he was forced to resign.¹

2 8. Following his resignation, Mr. Byrne sold his remaining position in
3 Overstock.com on September 18, 2019, for \$90,075,165.99 before taxes.²

4 9. Mr. Byrne claims that he paid "tens of millions in taxes" on the sale.³ A
5 taxpayer's capital gain is computed by subtracting the cost basis of the securities sold
6 from the sales proceeds of the securities sold. Mr. Byrne's true cost basis, capital gain,
7 and tax liability from the sale would be included on his 2019 tax returns, of which I
8 do not have a copy. I did not attempt to tax-effect this sale, primarily because of the
9 uncertainty his cost basis in the stock. Mr. Byrne's cost basis is undeterminable for
10 the following reasons:

11 a. In regard to stock-based compensation, cost basis is generally
12 established as a product of the market value of the security at the time of vesting,
13 exercise and/or grant. Over his approximately 20 years at Overstock, the
14 establishment of Mr. Byrne's cost basis in shares acquired through stock-based
15 compensation was intermittent and at different market values, making it difficult to
16 estimate his initial cost basis.

17 b. There may also be alternative minimum tax (AMT) adjustments
18 with stock awards, unique to the individual grantee, that are unknown absent the
19 taxpayer's tax returns.

21 ¹ Metz & Creswell, *Patrick Byrne, Overstock C.E.O., Resigns After Disclosing*
22 *Romance With Russian Agent*, N.Y. Times (Aug. 22, 2019).
23 [<https://www.nytimes.com/2019/08/22/business/overstock-ceo-patrick-byrne.html>]

24 ² Overstock.com, Inc, Form 4 Dated September 18, 2019.
25 [[https://www.sec.gov/Archives/edgar/data/1130713/000117911019010461/xslF345](https://www.sec.gov/Archives/edgar/data/1130713/000117911019010461/xslF345X03/edgar.xml)
26 [X03/edgar.xml](https://www.sec.gov/Archives/edgar/data/1130713/000117911019010461/xslF345X03/edgar.xml)]

27 ³ Byrne, *A Message to My Former Colleagues at Overstock*, from DeepCapture.com
28 (Sep. 18, 2019). [<https://www.deepcapture.com/2019/09/a-message-to-my-former-colleagues-at-overstock/>]

1 c. Once cost basis is established, Mr. Byrne and/or his financial
2 professionals, such as a tax accountant, may be able to use the specific identification
3 method in calculating capital gains for tax purposes. This method allows for a
4 taxpayer to track and record the actual cost of each identifiable unit of property and,
5 upon disposition, identify exactly which unit is sold or otherwise disposed of. This
6 information would only be held by Mr. Byrne and his financial professionals.

7 d. Of the 4,703,459 units Mr. Byrne sold on September 18, 2019, the
8 average share price was \$19.1508. The average share price of Overstock common
9 stock from IPO to September 2019 was approximately \$20.76 per share.⁴ This is not
10 substantive enough to develop an estimate as to Mr. Byrne's tax liability on the sale
11 of his Overstock position, and I offer no opinion to his actual tax liability. However,
12 this fact introduces the possibility that Mr. Byrne's cost basis may have been
13 substantial, resulting in a limited capital gain and tax liability. Ultimately, Mr. Byrne's
14 tax liability from the sale of his Overstock position can only be verified by reviewing
15 his 2019 tax returns.

16 10. On that same day, Mr. Byrne posted a letter on his blog,
17 deepcapture.com, titled "A Message to My Former Colleagues at Overstock." In his
18 letter, Mr. Byrne described "what I am doing with the capital generated by the sale of
19 my stock." He later states that all of it will be placed in "gold, silver, and two flavors
20 of crypto[currency]."⁵

21 11. Mr. Byrne states that the "gold and silver are stored outside of the United
22 States, in Switzerland, and within two weeks, will be scattered in other locations that
23 are even more outside of the reach of the Deep State."

24 12. Mr. Byrne states that his cryptocurrency is "stored in the place where all
25

26 ⁴Bed Bath & Beyond, Inc. (BBBY), Sep. 2019.
27 [<https://finance.yahoo.com/quote/BBBY/history/>]

28 ⁵ *Id.* At 3

1 crypto is stored: in mathematical mist, behind long keys held only in the memory of
2 someone who is quite good at storing such things in memory (with paper backups in
3 the hands of a priest I met 35 years ago who never sets foot in the West)."

4 13. A Swiss bank customer can voluntarily waive their right to secrecy by
5 consenting the release of information. Absent that consent, account information is
6 unverifiable.

7 14. Cryptocurrencies act as both a medium of exchange and store of value.
8 Instead of using central authorities, cryptocurrencies use cryptographic techniques to
9 record and verify the transfer of funds. The decentralized nature of cryptocurrency
10 makes it very difficult, if not impossible, for any person or entity other than the asset
11 holder to determine account balances or asset worth.

12 15. The statements made by Mr. Byrne demonstrate deliberate and
13 intentional placement of funds outside of the reach of governmental and legal
14 authority. Placing funds in such a manner has made it impossible for a forensic
15 accountant to assess asset values without his consent. However, I am able to estimate
16 the value of his assets using his public statements and growth in the assets he claims
17 to have purchased in September 2019.

18 16. On September 18, 2019, the price of gold was \$1,510.50 per ounce⁶. As
19 of October 10, 2025, the price of gold was \$4,003.30 per ounce, representing a 381%
20 total increase in value over that period.

21 17. On September 18, 2019, the price of silver was \$17.93 per ounce⁷. As of
22 October 10, 2025, the price of silver was \$50.23 per ounce, representing a 280% total
23 increase in value over that period.

24
25 ⁶ APMEX, Gold Spot Price (last visited Oct. 10, 2025), available at
26 <https://www.apmex.com/gold-price>

27 ⁷ APMEX, Silver Spot Price (last visited Oct. 10, 2025), available at
28 <https://www.apmex.com/silver-price>

1 18. In the aforementioned letter, Mr. Byrne states he placed his capital from
2 the sale of his position in Overstock into cryptocurrency but does not specify which
3 two cryptocurrencies. The most popular cryptocurrencies in terms of market
4 capitalization are Bitcoin and Ethereum.⁸

5 19. On September 18, 2019, the price of Bitcoin was \$10,198.25 per coin⁹.
6 As of October 10, 2025, the price of Bitcoin was \$117,539.60 per coin, representing
7 a 1153% total increase in value over that period.

8 20. On September 18, 2019, the price of Ethereum was \$211.39 per coin¹⁰.
9 As of October 10, 2025, the price of Ethereum is \$4,078.98 per coin, representing a
10 1930% total increase in value over that period.

11 21. Mr. Byrne does not appear to have a current, physical address in the
12 United States. It is possible that Mr. Byrne owns residential or commercial property
13 concealed through limited liability companies.¹¹ However, those limited liability
14 companies can be structured in a way that prevents any connection to him, personally,
15 absent documentation obtained through the discovery process. For example, Mr.
16 Byrne can own property through a Florida based LLC, nested within a Nevada based
17 LLC. Nevada does not publicly list the names of its LLC's owners,¹² which makes it
18

19 ⁸ Bankrate, (last visited Oct. 10, 2025), available at
20 <https://www.bankrate.com/investing/types-of-cryptocurrency/>

21 ⁹ Yahoo! Finance, Bitcoin Price History (last visited Oct. 10, 2025), available at
22 <https://finance.yahoo.com/quote/BTC-USD/history/>

23 ¹⁰ Yahoo! Finance, Ethereum Price History (last visited Oct. 10, 2025), available at
24 <https://finance.yahoo.com/quote/ETH-USD/history/>

25 ¹¹ Anderson, *Column: The secret moves of the Cyber Ninjas moneyman*, Sarasota
26 Herald-Tribune (Sep. 9, 2021).
27 [<https://www.heraldtribune.com/story/opinion/columns/2021/09/09/conspiracy-kooks-flocking-sarasota-county/5749142001/>]

28 ¹² Nev. NRS 86.263

1 difficult to tie ownership to an individual.

2 22. A Uniform Commercial Code-1 (UCC-1) is a public notice filed by a
3 lender to declare their security interest in a debtor's personal property as collateral for
4 a loan. I performed a UCC search and was unable to find any UCC-1 notices in the
5 name of Patrick M. Byrne since 2019, which suggests that Mr. Byrne did not
6 personally finance any real estate purchases in the United States since 2019.

7 23. The last SEC record of Mr. Byrne is the Form 4 reporting his sale of his
8 Overstock position in September 2019, which suggests that he has not purchased a
9 substantial ownership percentage of a public company since that time.

10 24. On February 11, 2024, Mr. Byrne made a post on X.com (formerly
11 Twitter.com) that he has spent approximately \$40M on political activities. I have
12 searched Mr. Byrne's X account and his blog Deepcapture.com and this appears to be
13 the only existing public statement made by Mr. Byrne regarding spending and large
14 purchases.

15 25. I have made the following estimates as to Mr. Byrne's ability to pay a
16 damage award in this matter under the assumption that the above statement by Mr.
17 Byrne regarding political spending is true and that this is the only major purchase or
18 expense he has made since 2019. The spread of the range of estimates is driven
19 primarily by unknown position sizes, timing, and whether he retained or later sold
20 large precious metals and/or cryptocurrency holdings acquired in 2019. Key factual
21 anchors and the scenario math to support my opinion are below.

22 26. The most conservative estimate considers Mr. Byrne immediately
23 spending all \$40M following the sale of his Overstock position in 2019 and using
24 100% of the remaining funds to purchase silver, the investment with the lowest
25 growth of the four aforementioned investments since that time. If this were the case,
26 the value of Mr. Byrne's remaining silver position would be approximately \$140.28M.
27 This is an unlikely scenario for the following reasons:

28 a. First, Mr. Byrne stated that the proceeds from the sale of his

1 Overstock position would be placed into gold, silver, and cryptocurrency. Given this
2 statement and that Mr. Byrne has been a long-time advocate of Bitcoin, it is unlikely
3 that he allocated all his sale proceeds to a single precious metal.

4 b. Second, Mr. Byrne's spending on political activities would more
5 likely occur on an intermittent basis and not immediately following the sale of his
6 Overstock position. Making the assumption that all \$40M in spending occurred in
7 2019 forgoes any growth on that amount prior to the actual timing of those
8 expenditures.

9 c. Lastly, this estimate only considers Mr. Byrne's net value of the
10 assets he purchased when he sold his position in Overstock in September 2019 without
11 considering his net worth prior to that transaction. Mr. Byrne and his affiliates
12 purchased Overstock for approximately \$7M in 1999.¹³¹⁴ Mr. Byrne held Bitcoin at
13 least as early as 2014 when he stated "I'm holding [Bitcoin] like I hold gold. I want a
14 robust safety net as things play out. I've always had misgivings about fiat currencies.
15 Gold was the answer but it doesn't translate as well in the digital age."¹⁵ I was unable
16 to find public statements regarding the extent of Mr. Byrne's Bitcoin holdings in 2014,
17 but it is likely that the "Bitcoin Messiah"¹⁶ had a material interest in the
18 cryptocurrency at that time. At the end of 2014, the price of Bitcoin was \$320.14 per
19
20

21 _____
22 ¹³ Overstock.com, Inc Form S-1/A Dated May 6, 2002

23 ¹⁴ Overstock.com, Inc Schedule 13D Dated November 14, 2002

24 ¹⁵ Hill, *For Overstock CEO, Bitcoin Isn't Just A Publicity Stunt*, Forbes Magazine
25 (Feb. 21, 2014). [<https://www.forbes.com/sites/kashmirhill/2014/02/21/for-overstock-ceo-bitcoin-isnt-just-a-publicity-stunt/>]

26 ¹⁶ Metz, *Meet Patrick Byrne: Bitcoin Messiah, CEO of Overstock, Scourge of Wall*
27 *Street*, Wired Magazine (Feb. 10, 2014). [<https://www.wired.com/2014/02/rise-fall-rise-patrick-byrne/>]
28

1 coin,¹⁷ compared to \$117,539.60 per coin as of October 10, 2025. A \$100,000 position
2 in Bitcoin in 2019 would equate to a nearly \$37M position in Bitcoin today. Likewise,
3 a \$1,000,000 position in Bitcoin in 2019 would equate to a nearly \$370M position in
4 Bitcoin today.

5 27. The most likely estimate considers Mr. Byrne spending the \$40M on a
6 blended, intermittent basis from September 2019 to February 2024 and a mixed
7 allocation of the funds from the sale of his Overstock position to purchase an equal
8 amount of the four aforementioned investments. If this were the case, the value of Mr.
9 Byrne's remaining position in the aforementioned assets would be \$686.64M. This
10 estimate does not consider Mr. Byrne's net worth prior to the sale of his Overstock
11 position in 2019.

12 28. The most aggressive estimate would consider Mr. Byrne spending all
13 \$40M in early 2024 and assuming he used 100% of the sale of his Overstock position
14 to purchase Ethereum, the investment with the highest growth of the four
15 aforementioned investments since that time. If this were the case, the value of Mr.
16 Byrne's remaining Ethereum position would be at least \$1B. This is also an unlikely
17 scenario, but should be considered the ceiling value of Mr. Byrne's remaining position
18 in the aforementioned assets. This estimate does not consider Mr. Byrne's net worth
19 prior to the sale of his Overstock position in 2019.

20 29. Each of the above estimates do not consider Mr. Byrne's spending on
21 everyday living expenses, such as housing, food, travel, etc. Given that each of the
22 above estimates are greater than \$100M, I believe his routine living expenses to be
23 immaterial in estimating his ability to pay.

24 30. Based on the information that is available to me as of October 10, 2025,
25 I believe the value of the assets Mr. Byrne purchased with the proceeds from the sale
26 of his Overstock position to be between \$140.28M and \$1B, with a "most likely"

27
28 ¹⁷ *Id. At 5*

1 estimate of \$686.64M.

2 31. Mr. Byrne's aforementioned investments, whether all in precious metals,
3 all in cryptocurrency, or a blend of the two, are liquid, readily marketable, and easily
4 convertible to USD.

5 32. I considered Mr. Byrne's ability to pay a damage award upon the
6 liquidation of these assets. Considering only the most conservative estimate of
7 \$140.28M, I believe Mr. Byrne would have the ability to pay up to approximately
8 \$106M after taxes. I believe this to be a conservative estimate given it was made under
9 the following assumptions:

10 a. Mr. Byrne's cost basis in the investments is \$50,075,165.99, the
11 original purchase price of the investments under the most conservative estimate.

12 b. Instead of being taxed at the more favorable federal long-term
13 capital gains rate of 23.8%, Mr. Byrne's silver holdings would be taxed at the
14 collectible rate of 28%.

15 c. Given that I have been unable to determine Mr. Byrne's tax home,
16 I used a conservative estimate of 10% for state taxes. Only five states have a higher
17 top tax rate, and nine states have no income tax. Utah, a state where Mr. Byrne
18 previously resided, has a current tax rate of 4.55%.¹⁸

19 I declare under the penalty of perjury under the laws of the United States of
20 America that the forgoing is true and correct. Executed on this 17th day of October
21 2025, at Roanoke, Virginia.

22
23 /s/ David Cawley

24 David Cawley, CPA, CVA, CFE

25
26
27 ¹⁸ Utah State Tax Commission. (n.d.). *Tax Rates*. Retrieved from
28 <https://incometax.utah.gov/paying/tax-rates>

APPENDIX A – CV AND TESTIMONY HISTORY

David Cawley, CPA

Fraim, Cawley and Company, Certified Public Accountants, PLLC

325 Mountain Ave SW

Roanoke, VA 24016

Phone: (540) 314-0345

David@fraimcpa.com

Relevant Education:

Southern New Hampshire University, Manchester, NH

Masters of Science (MSA), Accounting and Finance

Master of Business Administration (M.B.A)

Graduated April 2017

Graduated September 2013

Saint Leo University, Saint Leo, FL

B.A. in Sport Management – School of Business, Honors Program

A.A. in Business Administration

Graduated May 2008

Relevant Professional Certifications and Associations:

- Licensed Certified Public Accountant (CPA) in the state of Virginia since 2016
- Certified Valuation Analyst (CVA) as recognized by the National Association of Certified Valuators and Analysts (NACVA)
- Certified Fraud Examiner (CFE) as recognized by the Association of Certified Fraud Examiners
- Member of the Virginia Society of Certified Public Accountants
- Member of the National Association of Certified Valuators and Analysts (NACVA)
- Member of the Association of Certified Fraud Examiners

Relevant Professional Experience:

Fraim, Cawley and Company, Certified Public Accountants, PLLC

August 2018 – Present

Roanoke, VA

Managing Partner

Research Data Group

June 2013 – August 2018

Roanoke, VA

Senior Accounting Manager

List of Testimony in Prior Three Years (updated 10/20/2025)

Case #	Parties	Hired By	Attorney	Law Firm	Date
21SL-CC04038	MARY JULIAN v. SSM HEALTHCARE CORPORATION	Plaintiff	Justin Collins	Collins Law Firm	1/16/2023
2111-CC00346	KRISTY AMES v. SSM HEALTHCARE ST. LOUIS	Plaintiff	Justin Collins	Collins Law Firm	2/8/2023
21SL-CC03308	WILLIAM H. SCHAEF v. ST. LUKE'S EPISCOPAL-PRESBYTERIAN HOSPITALS	Plaintiff	Justin Collins	Collins Law Firm	2/10/2023
3:22-cv-00070	JAD KHORAKI v. DERRICK LONGORIA	Plaintiff	Miriam Airington	Airington Law	4/24/2023
21SL-CC04038	MARY JULIAN v. SSM HEALTHCARE CORPORATION	Plaintiff	Justin Collins	Collins Law Firm	4/25/2023
21SL-CC04038	MARY JULIAN v. SSM HEALTHCARE CORPORATION	Plaintiff	Justin Collins	Collins Law Firm	4/29/2023
2222-CC00163	ADAM EBINGER v. SAINT LOUIS UNIVERSITY	Plaintiff	Justin Collins	Collins Law Firm	6/16/2023
2131-CC01372	KENT WOOD and TAMMI WOOD v. NATHANIEL POPOVICH	Plaintiff	Justin Collins	Collins Law Firm	8/3/2023
21SL-CC02884	AMBER DAVIS v. GEORGE P. AHLERNG	Plaintiff	Justin Collins	Collins Law Firm	9/13/2023
2111-CC00770	NAHEB WAHBA v. PROGRESS WEST HEALTHCARE CENTER	Plaintiff	Justin Collins	Collins Law Firm	9/25/2023
21SL-CC02884	AMBER DAVIS v. GEORGE P. AHLERNG	Plaintiff	Justin Collins	Collins Law Firm	11/15/2023
21SL-CC03308	WILLIAM H. SCHAEF v. ST. LUKE'S EPISCOPAL-PRESBYTERIAN HOSPITALS	Plaintiff	Justin Collins	Collins Law Firm	12/1/2023
2146-CC00084	JULEE FORTNER v. THE SKAGGS COMMUNITY HOSPITAL ASSOCIATION	Plaintiff	Justin Collins	Collins Law Firm	12/6/2023
2111-CC00770	NAHEB WAHBA v. PROGRESS WEST HEALTHCARE CENTER	Plaintiff	Justin Collins	Collins Law Firm	1/25/2024
CL23000187-00	ELIJAH GAMBRELL v. TITUS TRANSPORT SERVICES, LLC	Defendant	Michael Montgomery	Eckert Seamans Cherin & Mellott	4/24/2024
CL22-1101	ROBERT PARKER WATERS, JR., v. KIMBERLY ANN WILLARD	Defendant	Brooke Rosen	Woods Rogers Vandeventer Black PLC	8/8/2024
N/A	KEVIN GREER, MD v. HESS ORTHOPAEDIC CENTER AND SPORTS MEDICINE	Plaintiff	Elizabeth Coleman	Goodman Allen Donnelly	8/29/2024
2122-CC09513	TAMMY PORTER v. BARNES-JEWISH HOSPITAL, WASHINGTON UNIVERSITY, et. All	Plaintiff	Justin Collins	Collins Law Firm	9/19/2024
2231-CC00141	BECKY CROSS v. MERCY HOSPITAL SPRINGFIELD AND MERCY CLINIC SPRINGFIELD	Plaintiff	Justin Collins	Collins Law Firm	11/19/2024
23SL-CC05447	DANYELL BRINKER v. MID-WEST PODIATRY AND ASSOCIATES LLC et. All	Plaintiff	Justin Collins	Collins Law Firm	5/29/2025
24SL-CC02367	HEATHER KNIGHT v. HILL VISION SERVICES and GEOFFREY M. HILL, M.D.	Plaintiff	Justin Collins	Collins Law Firm	6/5/2025
CL24002099-00	SUSAN GUALTIERI BRANAN v. GREGORY KNIGHT BRANAN	Defendant	Devon Slovensky	Slovensky Law	9/15/2025